BEFORE THE DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION, KARNAL.

Complaint No.121 of 2023
Date of instt. 16.02.2023
Date of Decision: 23.06.2026

Bhag Singh son of Shri Jai Bhagwan, resident of village Beejna, near Government School, Tehsil Gharaunda, District Karnal, Haryana 132037.

……. Complainant

Versus

1. Tata AIG, 1st floor, SCO-127/128, Sector 9-C, Chandigarh, Pin Code-160009 through its Manager. Phone: 017-24685000.

2. Branch Manager Axis Bank Ltd. Village Staundi, Tehsil Gharaunda and District Karnal.

……. Opposite parties.

Complaint under Section 35 of Consumer Protection Act, 2019.

Before Shri Jaswant Singh……President.
Ms.Neeru Agarwal…….Member
Ms. Sarvjeet Kaur……..Member.

Argued by: Shri Pawan Gahlot, counsel for the complainant.
Shri Rohit Gupta, counsel for the OP no.1.
OP no.2 exparte, vide order dated 20.04.2023.

(JASWANT SINGH, PRESIDENT)

ORDER:

The complainant has filed the present complaint under Section 35 of the Consumer Protection Act, 2019 against the opposite parties (hereinafter referred to as 'OPs') on the averments that the complainant is the account holder of OP no.2 and OP no.2 is the

intermediary of the OP no.1. Under the influence of the OP no.2, complainant obtained Group Medicare Health Insurance Policy from the OP no.1 on 07.01.2020, vide Master policy no.0237868334, for the sum insured of Rs.5,00,000/-by paying a premium of Rs.7605/- and the same was renewed by the OP no.1, vide policy no.0237868334 00 02, valid from 07.01.2022 to 06.01.2023. On 05.08.2022, at about 10.00 a.m., complainant fell down on stares of his house and received serious and multiple injuries on right leg, knee and he was admitted in Virk Hospital, Private Limited Karnal, where the operation of right leg of the complainant was conducted by the doctor of Virk Hospital, Karnal and an amount of Rs.45,000/- was spent by complainant on account of medical bills, operation charges and hospital charges etc. After discharge from the hospital, complainant lodged the claim with the OP no.1 and submitted all the required documents for reimbursement of the abovesaid amount but OP did not pay the same despite repeated requests. Due to this act and conduct of the OP, complainant has suffered for mental pain, agony and harassment. In this way there is deficiency in service and unfair trade practice on the part of the OP. Hence complainant filed the present complaint seeking direction to the OP to pay Rs.45,000/- alongwith interest @ 18% per annum from the date of admission in hospital till its realization, to pay Rs.2,00,000/- on

account of deficiency in service, unfair trade practice, mental agony and harassment, to pay Rs.11,000/- as litigation expenses and any other relief to which this Commission deems fit may also be granted.

2. On notice, OP no.1 appeared and filed its written version raising preliminary objections with regard to maintainability; cause of action; jurisdiction and concealment of true and material facts. The present matter as Group Medicare Master policy no.0237868334, certificate no.070226, with insured person ID: 34065992, for a period from 07.01.2022 to 06.01.2023 was issued from Ambala and the request for reimbursement claim of the complainant was processed and stands rejected from Mumbai by TATA AIG General Insurance Co. Ltd. as such present complaint is not maintainable, for want of territorial jurisdiction. On merits, it is pleaded that the OP issued a Group Medicare Master Policy no.0237868334 for a period from 07.01.2022 to 06.01.2023 covering complainant for a sum insured of Rs.5,00,000/-, subject to policy terms and conditions. The policy was issued on the basis of details shared by the complainant. The complainant was requested to confirm for disorder, if any. The complainant confirmed that he did not suffer from any disorder. Subsequently, on the basis of details provided in proposal form, the policy was issued to the complainant alongwith the policy terms and conditions. During the

currency of the policy, the complainant filed a reimbursement claim no.2022082300255) with alleged h/o fall with fracture shaft of femur on 05.08.2022 with the OP company which was received by the company on 22.08.2022. Upon registration and receipt of the claim documents, it was noted that the complainant had past history of poliomyelitis. Hence, OP company raised query, vide query letter dated 02.09.2022 and asked for the following documents/information, which are necessary for further processing of the claim. Kindly provide polio disability certificate. On further investigation in the matter, it was noted that complainant had a h/o Polio residual paralysis prior to policy inception and policy start date is 07 January, 2020. OP company repudiated the claim of the complainant, vide claim rejection letter dated 05.09.2022, with the following observation:

> *"As per the scrutiny of the documents member is having history of polio residual paralysis, which is prior to policy inception and the policy start date is 07.01.2020. The same have not been disclosed in proposal form. Hence, your policy is being cancelled and we regret to inform you that your claim is repudiated under section 4-7 (i).*

Thus, there is no deficiency in service and unfair trade practice on the part of the OP. The other allegations made in the complaint have been denied and prayed for dismissal of the complaint.

3. OP no.2 did not appear despite service and opted to be proceeded against exparte, vide order dated 20.04.2023 of the Commission.

4. Parties then led their respective evidence.

5. Learned counsel for the complainant tendered into evidence affidavit of complainant Ex.CW1/A, copy of aadhar card of complainant Ex.C1, copy of insurance policy Ex.C2, copy of treatment record Ex.C3, postal receipt, Ex.C4, legal notice Ex.C5 and closed the evidence on 23.02.2024 by suffering separate statement.

6. On the other hand, learned counsel for the OP no.1 tendered into evidence affidavit of Nidhi Kalra, AVP Legal Claims & Authorized Signatory Ex.OP1/A, copy of insurance policy alongwith terms and conditions Ex.OP1, copy of claim form Ex.OP2, copy of treatment record Ex.OP3, copy of letter Ex.OP4 dated 22.08.2022, copy of letter Ex.OP5 dated 02.09.2022, copy of claim repudiation letter Ex.OP6 dated 05.09.2022 and closed the evidence on 14.08.2022 by suffering separate statement.

7. We have heard learned counsel for the complainant and learned counsel for the OP no.1 and perused the case file carefully and also gone through the evidence led by the parties.

8. Learned counsel for the complainant, while reiterating the contents of complaint, has vehemently argued that complainant purchased a health insurance policy from the OP no.1. On 05.08.2022, during the subsistence of insurance policy, the complainant fell down on stares of his house and received serious and multiple injuries on right leg, knee and has taken treatment from Virk Hospital, Private Limited, Karnal and has spent an amount of Rs.45,000/- on his treatment. After discharge from the hospital, complainant lodged the claim with the OP and submitted all the required documents for reimbursement of the abovesaid amount but OP repudiated the claim, on the false and frivolous ground and lastly prayed for allowing the complaint.

9. Per contra, learned counsel for the OP no.1, while reiterating the contents of written version, has vehemently argued that the OP issued a health insurance policy for the sum insured of Rs.5,00,000/- to the complainant. Complainant lodged the claim for reimbursement and on scrutiny of the claim documents, it was observed that complainant had past history of polio residual paralysis prior to policy inception, the complainant has not disclosed the said fact at the time of purchasing the policy. Thus, the claim of complainant has rightly been rejected and lastly prayed for dismissal of the complaint

10. We have duly considered the rival contentions of the parties.

11. Admittedly, complainant purchased a health insurance policy from the OP no.1. It is also admitted that during the subsistence of the insurance policy, the complainant has taken the treatment from Virk Hospital, Private Limited Karnal.

12. The claim of the complainant has been repudiated by the OP no.1, vide repudiation letter Ex.OP6 dated 05.09.2022 on the ground, which is reproduced as under:-

> *"As per the scrutiny of the documents member is having history of Polio residual paralysis, which is prior to policy inception and the policy start date is 07.01.2020. The same have not been disclosed in proposal form. Hence, your policy is being cancelled and we regret to inform you that your claim is repudiated under non-disclosure section 4 (7)(i)."*

13. The claim of the complainant has been repudiated by the OP no.1 on the abovesaid ground. The OP has alleged that the complainant had past history of polio residual paralysis prior to policy inception and the complainant had not disclosed the said fact at the time of purchasing the policy. The onus to prove its case was relied upon the OP but OP has miserably failed to prove the same by leading any cogent and convincing evidence. The case of OP is based upon the treatment record Ex.OP3 of Virk Hospital Private Limited. In the said record, the duration of past history has not been mentioned. Further,

the said treatment record is a photocopy. OP has failed to examine/tendered the affidavit of doctor who has issued the said treatment record. Hence, the said treatment record also has no values in the eyes of law. Thus, it appears that OP h as rejected the claim of complainant on the basis of presumption and assumption and in this regard, we place reliance on the judgment of Hon'ble National Commission in case titled as **SBI Life Insurance Co. Ltd. Vs. Lakshiben Naginbhai Chauhan and others 2020 CJ 110 (NC) and Authorised Signatory,** *Hon'ble National Commission has held that Insurance-SBI Home Loan Master Policy-Repudiation of death claim on ground of concealment of pre-existing disease-Complaint allowed by fora below-Both District Forum and State Commission had reached to conclusion after going through all documents that medical papers have not been properly proved since neither doctor has been duly examined nor his affidavit has been furnished-National Commission is not expected and required to re-appreciate and re-assess evidences-where on the basis of evidences Fora below have reached to a conclusion which is a possible conclusion, then such conclusion need not be disturbed in Revision Petition-Revision petition dismissed.* Further in case titled as **Bajaj Allianz Life Insurance Co. Ltd. and 2 others Versus Kanduru Gangadhara Rao in Revision Petition no.1054 of**

2020, decided on 07.10.2021 *Hon'ble National Commission held that Insurance Law-concealment of disease-Death claim repudiated by insurer on ground that life assured suppressed her health condition of her taking treatment for placed reliance on the treatment record, 'Chronic non-specific cervicitis' prior to obtaining the policy-Hence this complaint-Held, insurance company placed reliance on treatment record, which was a mere photocopy and not certified. The Doctor who treated the Life Assured was also not examined nor was his affidavit filed by the insurance company. Also, insurance company failed to satisfy this Commission that there was any co-relation between death of the Life Assured and the suppression of ailment "Chronic non-specific cervicitis". Complaint allowed.*

14. Furthermore, nowadays it has become a trend of insurance companies, they issue the policies by giving false assurances and when insured amount is claimed, they make such type of excuses. Thus, the denial of the claim of complainant is arbitrary and unjustified. In this regard, we placed reliance on the judgment of Hon'ble Punjab and Haryana High Court titled as **New India Assurance Company Ltd. Versus Smt. Usha Yadav & others 2008 (3) RCR (Civil) 111, wherein the** Hon'ble Punjab and Haryana High Court has held as under:-

"It seems that the Insurance Companies are only interested in earning the premiums which are rather too stiff now a days, but are not keen and are found to be evasive to discharge their liability. In large number of cases, the Insurance companies make the effected people to fight for getting their genuine claims. The Insurance Companies in such cases rely upon clauses of the agreements, which a person is generally made to sign on dotted lines at the time of obtaining policy. This is, thus pressed into service to either repudiate the claim or to reject the same. The Insurance Companies normally build their case on such clauses of the policy, but would adopt methods which would not be governed by the strict conditions contained in the policy".

15. Keeping in view that the ratio of the law laid down in aforesaid judgments, facts and circumstances of the present complaint, the act of the OP no.1 while repudiating the claim of complainant amounts to deficiency in service and unfair trade practice, which is otherwise proved genuine one.

16. The complainant has claimed Rs.45,000/- and in this regard he has placed on file medical bills Ex.C3 and the said bills are only Rs.40,246/-. Complainant has also lodged the claim form Ex.OP2 of Rs.40,246/- with the OP. Hence, the complainant is entitled for the

amount of Rs. Rs.40,246/- alongwith interest, compensation for mental pain, agony harassment and litigation expenses etc.

17. Thus, as a sequel to abovesaid discussion, we allow the present complaint and direct the OP no.1 to pay Rs. Rs.40,246/- (Rs. Forty Thousand Two Hundred Forty Six only) to the complainant alongwith interest @ 9% per annum from the date of repudiation of the claim i.e. 05.09.2022 till its realization. We further direct the OP no.1 to pay Rs.20,000/- to the complainant on account of mental agony and harassment and towards the litigation expenses. This order shall be complied within 45 days from the date of receipt of copy of the order. Complaint quo OP no.2 stands dismissed. The parties concerned be communicated of the order accordingly and the file be consigned to the record room after due compliance.

Announced:
Dated: 23.06.2026

President,
District Consumer Disputes
Redressal Commission, Karnal.

(Neeru Agarwal)
Member

(Sarvjeet Kaur)
Member

Sushma
Stenographer

Present: Shri Pawan Gahlot, counsel for the complainant.
Shri Rohit Gupta, counsel for the OP no.1.
OP no.2 exparte, vide order `

Today the case was fixed for remaining arguments, if any and order. Remaining arguments heard. Order announced. Vide our separate detailed order of even date, the present complaint has been allowed. The parties concerned be communicated of the order accordingly and the file be consigned to the record room after due compliance.

Dated:23.06.2026

President
DCDRC, Karnal.

Member(I) Member(II)

Sushma
Stenographer